

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 244, As Amended

BY REVENUE AND TAXATION COMMITTEE

AN ACT

RELATING TO THE LOCAL ECONOMIC DEVELOPMENT ACT; AMENDING SECTION 50-2904, IDAHO CODE, TO PROVIDE CODE REFERENCES, TO REVISE PROVISIONS RELATING TO CERTAIN LIMITS AND TO PROVIDE CORRECT TERMINOLOGY.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 50-2904, Idaho Code, be, and the same is hereby amended to read as follows:

50-2904. AUTHORITY TO CREATE REVENUE ALLOCATION AREA. An authorized municipality is hereby authorized and empowered to adopt, at any time, a revenue allocation financing provision, as described in this chapter, as part of an urban renewal plan or competitively disadvantaged border community area ordinance. A revenue allocation financing provision may be adopted either at the time of the original adoption of an urban renewal plan or the creation by ordinance of a competitively disadvantaged border community area or thereafter as a modification of an urban renewal plan or the ordinance creating the competitively disadvantaged border community area. Urban renewal plans existing prior to the effective date of this section may be modified to include a revenue allocation financing provision. Except as provided ~~below~~ in subsections (1), (2) and (3) of this section, no revenue allocation provision of an urban renewal plan or competitively disadvantaged border community area ordinance, including all amendments thereto, shall have a duration exceeding twenty-four (24) years from the date the ordinance is approved by the municipality; and provided further, no additions to the land area of an existing revenue allocation area shall be interpreted to or shall cause an extension of the date of the twenty-four (24) year limit that was originally established for the revenue allocation area. Notwithstanding these limitations, tThe duration of the revenue allocation financing provision may be extended if:

(1) The maturity date of any bonds issued to provide funds for a specific project in the revenue allocation area and payable from the revenue allocation financing provision exceeds the duration of the revenue allocation financing provision, provided such bond maturity is not greater than thirty (30) years; or

(2) The urban renewal agency determines that it is necessary to refinance outstanding bonds payable from the revenue allocation financing provision to a maturity exceeding the twenty-four (24) year duration of the revenue allocation financing provision in order to avoid a default on the bonds; or

(3) The local governing body has adopted an urban renewal plan or competitively disadvantaged border community area ordinance or an amendment to an urban renewal plan or competitively disadvantaged border community area ordinance prior to July 1, 2000, in which is defined the duration of the plan beyond a period of twenty-four (24) years, in which case the

1 revenue allocation provision shall have a duration as described in such urban renewal plan or
2 competitively disadvantaged border community area ordinance; and

3 (4) During the extensions set forth in subsections (1) and (2) of this section, any revenue
4 allocation area revenues exceeding the amount necessary to repay the bonds during the period
5 exceeding the twenty-four (24) year maturity of the revenue allocation financing provision shall
6 be returned to the taxing districts in the revenue allocation area on a pro rata basis.